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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

2013 DEC 11 P 3:02

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

DEC 11 2013

DOCKETED BY

In the matter of:

DOCKET NO. S-20896A-13-0378

BRIAN C. HAGEMAN, an unmarried man,  
DELUGE, INC, a dissolved Delaware corporation,  
HYDROTHERM POWER CORPORATION, a  
dissolved Delaware corporation,

Respondents.

**SECOND**  
**PROCEDURAL ORDER**  
**(Schedules Hearing)**

**BY THE COMMISSION:**

On November 5, 2013, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Brian C. Hageman, Deluge, Inc. ("Deluge") and Hydrotherm Power Corporation ("Hydrotherm") (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of stock and/or investment contracts.<sup>1</sup>

Respondent Hageman was duly served with a copy of the Notice.

On November 12, 2013, Respondent Hageman filed a request for hearing in response to the Notice in this matter pursuant to A.R.S §44-1972 and A.A.C. R14-4-306.

On November 15, 2013, by Procedural Order, a pre-hearing conference was scheduled on December 10, 2013.

On December 10, 2013, at the pre-hearing conference, the Division appeared through counsel and Respondent appeared on his own behalf. Counsel for the Division requested that a hearing be

<sup>1</sup> Both Deluge and Hydrotherm are dissolved Delaware corporations.

1 scheduled for approximately one week. Respondent had no objections to this request.

2 Accordingly, a hearing conference should be scheduled.

3 IT IS THEREFORE ORDERED a **hearing shall be held on April 14, 2014, at 10:00 a.m.,** at  
4 the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix, Arizona.

5 IT IS FURTHER ORDERED **that the parties shall also set aside April 15, 16, 17, and 18,**  
6 **2014, for additional days of hearing,** if necessary.

7 IT IS FURTHER ORDERED that **the Division and Respondent shall exchange copies of**  
8 **their Witness Lists and copies of the Exhibits by February 28, 2014,** with courtesy copies  
9 provided to the presiding Administrative Law Judge.

10 IT IS FURTHER ORDERED **that if the parties reach a resolution of the issues raised in**  
11 **the Notice prior to the hearing, the Division shall file a Motion to Vacate the Proceeding.**

12 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
13 Communications) is in effect and shall remain in effect until the Commission's Decision in this  
14 matter is final and non-appealable.

15 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
16 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission  
17 *pro hac vice*.

18 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance  
19 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
20 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances  
21 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is  
22 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the  
23 Administrative Law Judge or the Commission.

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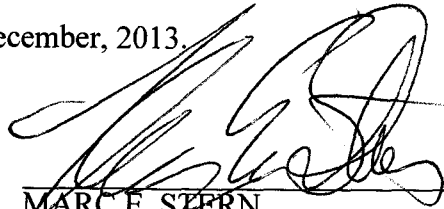
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1 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,  
2 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by  
3 ruling at hearing.

4 DATED this 11<sup>th</sup> day of December, 2013.


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6   
7 MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

8  
9 Copies of the foregoing mailed/delivered  
this 11<sup>th</sup> day of December, 2013 to:

10 Brian Hageman  
11 18832 N. 95<sup>th</sup> Street  
Scottsdale, AZ 85255

12 Matt Neubert, Director  
13 Securities Division  
ARIZONA CORPORATION COMMISSION  
14 1300 West Washington Street  
Phoenix, AZ 85007

15 ARIZONA REPORTING SERVICE, INC.  
16 2200 North Central Avenue, Suite 502  
Phoenix, AZ 85004-1481

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